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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No.	CV 08-2689 PA (CTx)	Date	June 16, 2008
Title	Nat'l Disclosure Auth., et al. v. Prop. I.D. Corp., et al.		

Present: The Honorable	PERCY ANDERSON, UNITED STATES DISTRICT JUDGE		
Rosa Morales			
Deputy Clerk	Court Reporter	Tape No.	
Attorneys Present for Plaintiffs:	Attorneys Present for Defendants:		

Proceedings: ORDER TO SHOW CAUSE

The Court is in receipt of the Second Amended Complaint filed by plaintiffs National Disclosure Authority, Genaro Trejo, Ryan Hilterbran, David Sternlight, Kyna Sternlight, and Farahnaz Nourmand ("Plaintiffs"). Plaintiffs have sued defendants Property I.D. Corporation and Carlos Sideman for various causes of action. Most causes of action are brought solely by National Disclosure Authority. Plaintiffs Trejo, Hilterbran, David Sternlight, and Nourmand bring a cause of action for defamation. Plaintiffs David Sternlight, Kyna Sternlight, and Hilterbran bring a cause of action for malicious prosecution.

Federal Rule of Civil Procedure 20(a)(1), which allows for permissive joinder, provides:

Persons may join in one action as plaintiffs if:

- (A) they assert any right to relief jointly, severally, or in the alternative with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences; and
- (B) any question of law or fact common to all plaintiffs will arise in the action.

Fed. R. Civ. Proc. 20(a)(1); see also League to Save Lake Tahoe v. Tahoe Regional Planning Agency, 558 F.2d 914, 917 (9th Cir. 1977). "The first prong, the 'same transaction' requirement, refers to similarity in the factual background of a claim." Coughlin v. Rogers, 130 F.3d 1348, 1350 (9th Cir. 1997).

Based on the factual allegations in the Second Amended Complaint, it does not appear that there is a question of fact or law common to all Plaintiffs. Nor is it clear that Plaintiffs' joint claims against Defendants arise out of the same transaction or occurrence. Rather, it appears that some Plaintiffs sue Defendants for what may amount to separate instances of defamation or malicious prosecution. The Court therefore orders Plaintiff to show cause in writing, no later than July 7, 2008, why one or more parties should not be dropped from this case for improper joinder. See Fed. R. Civ. P. 18, 20, 21; see also Coughlin, 130 F.3d at 1351 (finding misjoinder where "[e]ach claim raises potentially different

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issues, and must be viewed in a separate and individual light by the Court.”). Defendants may file a response no later than July 14, 2008.

In response to this Order to Show Cause, Plaintiffs may, if they so choose, file separate actions against Defendants, with new complaints and filing fees.

IT IS SO ORDERED.

_____/_____
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RM